
NOTICE OF SALE
\$33,425,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES-2006, SERIES I

THE CITY OF ROCHESTER, NEW YORK

SEALED PROPOSALS which may be delivered in person or by facsimile transmission (FAX numbers: 585-428-7533, 585-428-6783, and 585-428-6774) will be received by the Director of Finance of The City of Rochester, a municipal corporation of the State of New York, located in the County of Monroe, for the purchase of General Obligation Bond Anticipation Notes-2006, Series I (the "Notes") of The City of Rochester (the "City") at the office of the Director of Finance, 30 Church Street, Room 109-A, City Hall, Rochester, New York, until 11:00 o'clock A.M. (Prevailing Time), on Wednesday,

February 22, 2006

at which time and place all proposals will be publicly opened.

The timely delivery of all proposals submitted by facsimile transmission (FAX) in legible and completed form, signed by an authorized representative of the bidder, shall be the sole responsibility of the bidder. The City shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

The Notes will be dated March 2, 2006, will mature on March 1, 2007, will bear interest payable at maturity and will be issued without the right of prior redemption. The Notes will constitute general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes, and unless paid from other sources, the Notes are payable from ad valorem taxes which, in the opinions of Co-Bond Counsel, may be levied upon all the taxable real property located within the City, without limitation as to rate or amount.

The Notes will be issued in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as Securities Depository for the Notes. Individual purchases of ownership interests in the Notes will be made in book-entry-only form, in the principal amount of \$1,000 or integral multiples thereof. **Purchasers will not receive certificates representing their ownership interest in the Notes.**

Principal of and interest on the Notes will be paid by the Director of Finance of the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the beneficial owners of the Notes.

The proposals may be for all or part of the Notes offered, provided that no bid for less than \$1,000,000 of the Notes will be entertained. Bidders may bid different interest rates for the Notes, but not more than four interest rates may be bid. A separate proposal is required for each portion of the Notes for which a separate interest rate is bid. The Notes will be awarded separately on the basis of the lowest net interest cost offered in the proposals to purchase the Notes. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of such Notes bid for, the total interest cost to maturity in accordance with such bid and by deducting therefrom the amount of premium, if any, bid. If two or more bidders offer to purchase the Notes at the same net interest cost to the City, then the Notes will be sold to one of such bidders selected by lot from among all such bidders. No bids for less than par and accrued interest will be entertained, and the right is reserved to award to any bidder all or any part of the Notes which such bidder offers to purchase in his proposal. If only part of the Notes bid for in a proposal are awarded, the premium, if any, offered in such proposal will be prorated. Interest will be calculated on a thirty-day month and a 360-day year basis. The right is reserved to reject any and all proposals.

The Notes shall be delivered to DTC against payment in Federal Funds by the winning bidder(s) on March 2, 2006, at the offices of St. John & Wayne, L.L.C., 70 East 55th Street, New York, New York, 10022 or at such other place as may be agreed upon by the City and the winning bidder(s).

Interest on the Notes is payable by check or draft to DTC or its nominee as the registered owner of the Notes. Principal on the Notes will be payable by check or draft to DTC or its nominee in exchange for the applicable Notes. Principal and interest are payable in any coin or currency of the United States of America, which, at the time of payment, is legal tender for the payment of public and private debts.

CUSIP identification numbers will be printed on the Notes if Co-Bond Counsel are provided with such numbers by the close of business on the day following the sale date of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the winning bidder(s) thereof to accept delivery and pay for the Notes in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the City provided that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the winning bidder(s).

The winning bidder(s) shall be required, as a condition precedent to the delivery of the Notes, to furnish to the City, in a form satisfactory to Co-Bond Counsel, a certificate concerning the issue price of the Notes and a statement identifying the underwriters of the Notes if part of a group or syndicate and the anticipated total selling compensation (expressed in dollars) of the winning bidder(s). The City agrees to provide the winning bidder(s) with up to an aggregate of 100 copies of a "final official statement" (as defined in Rule 15c2-12 promulgated under the Securities Act of 1934) at the sole cost and expense of the City, with any additional copies which the winning bidder(s) shall reasonably request to be provided at the sole cost and expense of the winning bidder(s).

In order to assist bidders in complying with Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's(s') proposal, at the time of the delivery of the Notes the City will provide an executed copy of its "Undertaking to Provide Notices of Material Events". Said Undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Notes, to provide to (i) each nationally recognized municipal securities information repository, or to the Municipal Securities Rulemaking Board, and (ii) to the New York State Information Depository, if created, notice of the occurrence of certain material events, as enumerated in said Rule 15c2-12.

The winning bidder(s) will be furnished with the approving opinions of St. John & Curtin, L.L.C., Rochester, New York, and Lewis, Munday, & Bullard, Rochester, New York, Co-Bond Counsel, to the effect that the Notes are valid and legally binding general obligations of the City for which the City has pledged its faith and credit and, unless paid from other sources, all the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Notes and the interest thereon without limitation as to rate or amount. Each of said opinions shall also contain further statements (i) concerning the exclusion of interest from gross income of the owners thereof for Federal income tax purposes under the Internal Revenue Code of 1986, as amended, that interest on the Notes is exempt from personal income taxes imposed by the State of New York and each political subdivision thereof, and as to certain other tax matters as described in the Official Statement for the Notes, and (ii) to the effect that enforceability of rights or remedies heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion, where appropriate.

The obligations hereunder to deliver or accept the Notes pursuant to this Notice of Sale shall be conditioned on the availability to each winning bidder, at the time of delivery of the Notes of said approving opinions; of certificates satisfactory to said law firms evidencing the proper execution and delivery of the Notes and receipt of payment therefor and including a statement dated as of the date of delivery, to the effect that there is no litigation pending or (to the knowledge of the signers thereof) threatened relating to the Notes; and of the several certificates as described in the Official Statement under the heading "Documents Accompanying Delivery of the Notes".

Each proposal should be either faxed or enclosed in a sealed envelope marked "Proposal for \$33,425,000 Bond Anticipation Notes", and should be addressed to the undersigned Director of Finance, The City of Rochester, Room 109-A, City Hall, Rochester, New York, 14614.

Dated: February 10, 2006

VINCENT J. CARFAGNA
Director of Finance
The City of Rochester, New York
585-428-7151

**PROPOSAL FOR ALL OR PART OF \$33,425,000 BOND ANTICIPATION NOTES-2006, SERIES I
DUE: MARCH 1, 2007**

February 22, 2006

Vincent J. Carfagna
Director of Finance
The City of Rochester
30 Church Street
Room 109-A, City Hall
Rochester, NY 14614-1290

- (1) We bid par and accrued interest, if any, to date of delivery, plus a premium of \$_____ for \$_____
Bond Anticipation Notes described in such Notice of Sale, provided such Notes bear interest at the rate of _____% per annum.
- (2) We bid par and accrued interest, if any, to date of delivery, plus a premium of \$_____ for \$_____
Bond Anticipation Notes described in such Notice of Sale, provided such Notes bear interest at the rate of _____% per annum.
- (3) We bid par and accrued interest, if any, to date of delivery, plus a premium of \$_____ for \$_____
Bond Anticipation Notes described in such Notice of Sale, provided such Notes bear interest at the rate of _____% per annum.
- (4) We bid par and accrued interest, if any, to date of delivery, plus a premium of \$_____ for \$_____
Bond Anticipation Notes described in such Notice of Sale, provided such Notes bear interest at the rate of _____% per annum.

Net interest cost to the City as described in the Notice of Sale, expressed as a percentage:

- (1) _____ %
- (2) _____ %
- (3) _____ %
- (4) _____ %

(Mailing Address)

(Telephone Number)